



DEPARTMENT OF THE TREASURY  
WASHINGTON, D.C. 20220

Procurement  
Instruction  
Memorandum  
No. 99-13  
Oct. 12, 1999

**MEMORANDUM FOR BUREAU CHIEF PROCUREMENT OFFICERS**

**FROM:**

Corey M. Rindner, Director *Corey M. Rindner*  
Office of Procurement

**SUBJECT:**

Cost Savings Addition to ICAR

Effective 1<sup>st</sup> quarter of FY2000, all bureau procurement offices shall compute and report dollars saved through competition and/or negotiation of each acquisition reported through the new Department of the Treasury TADS Input Form, TD F 76-06.09. A copy is attached for your convenience in identifying the new block 49f that has been added to report cost savings.

The following guidelines are established for calculating cost savings and reporting them using TADS. Previously cost savings were reported every two years on the Self-Assessment Surveys under the Balanced Scorecard Survey process. This new TADS field will provide real time reporting of cost savings, using a uniform format within the bureaus.

Cost savings shall be calculated for all negotiated acquisitions, solicited as full and open competition or other than full and open competition, when discussions are conducted. Sealed bidding acquisitions and negotiated acquisitions where award was made without discussions will be reported as \$0 cost savings. All options quantities, option years, and maximum quantities should be considered in your computations.

Compute cost savings as: The difference between the final negotiated award price (including options and/or estimated quantities) and the initial offered price (including options and/or estimated quantities).

Each contract file shall include written documentation, including this calculation for deriving the cost savings dollar amount. There may be other methods to calculate savings resulting from your efforts such as negotiating volume discounts, consolidating requirements, the use of lease versus buy or make versus buy decisions, etc. I encourage your resourcefulness as long as the figures reported are measurable and verifiable, with the basis for calculation clearly documented in the file.

All contracting personnel should begin inputting this new data field on TADS for actions commencing October 1, 1999. Questions may be addressed to Terri Toplisek at (202) 622-1241, or e-mail to [terri.toplisek@do.treas.gov](mailto:terri.toplisek@do.treas.gov). Technical questions/issues should be addressed to Lou Masciocchi at (202) 6585, or e-mail to [louis.masciocchi@do.treas.gov](mailto:louis.masciocchi@do.treas.gov).

Attachment

cc: TPDS Coordinators

# Department of the Treasury

## TADS Input Form

Note: For modifications or delivery/task orders, only shaded fields need be completed if an action for this contract has previously been reported to TADS. Write or type all zeroes as 0. All dollar entries must be rounded to the nearest thousand, (e.g. \$50,450 is entered as 50, \$50,650 is entered as 51).

2. Contract Number										4. Contracting Office Order Number										3. Modification Number			
<input type="text"/>										<input type="text"/>										<input type="text"/>			
1. Reporting Agency				5. Contracting Office Code				6. Action Date (YYYYMMDD)				8. Report Period(YYYYQ)				7. Type of Data Entry							
<input type="text"/>				<input type="text"/>				<input type="text"/>				<input type="text"/>				<input type="checkbox"/> A. Original <input type="checkbox"/> B. Deleting <input type="checkbox"/> C. Correcting							
9. Kind of Contract Action																							
<input type="checkbox"/> A. Initial Letter Contract <input type="checkbox"/> B. Definitive Action Superseding Letter Contract <input type="checkbox"/> C. New Definitive Contract <input type="checkbox"/> D. Purchase Using Simplified Acquisitions <input type="checkbox"/> E. Order under single award Indef. Del. Contract <input type="checkbox"/> F. Order under BOA <input type="checkbox"/> G. Order/Modification under federal Schedule <input type="checkbox"/> H. Modification (report B for mods definitizing a letter contract) <input type="checkbox"/> J. Termination for Default <input type="checkbox"/> K. Termination for Convenience <input type="checkbox"/> L. Order under multiple Award Contract <input type="checkbox"/> Z. Reserved																							
10. Dollars Obligated or Deobligated this Action (whole \$ only. If deob, precede with minus sign)										11. Type of Obligation				b. Appropriation				12. Principal Product or Service Code					
\$ <input type="text"/> , <input type="text"/> , <input type="text"/> ,000										<input type="checkbox"/> A. \$ 0 or Obligation <input type="checkbox"/> B. Deobligation				<input type="checkbox"/> A. Appropriated <input type="checkbox"/> B. Nonappropriated				<input type="text"/>					
13. Principal Standard Industrial Classification										49b. Estimated Completion Date, For Contracts With Option (YYYYMMDD)													
<input type="text"/>										<input type="text"/>													
49d. RFC Ready Date (YYYYMMDD)																							
<input type="text"/>										<input type="text"/>													
49e. Procurement Complexity										49f. Cost Saving													
<input type="checkbox"/> 1. High <input type="checkbox"/> 2. Medium <input type="checkbox"/> 3. Low										\$ <input type="text"/> , <input type="text"/> , <input type="text"/> ,000 (whole \$ only)													
15. Contractor Name																							
a. <input type="text"/>																							
16. Contractor Identification Number (CIN)										A. Small Disadvantaged Business B. Other Small Business C. Large Business D. JWOD Nonprofit Agency H. Reserved J. Reserved K. State/Local Government M. Domestic Contractor Performing Outside U.S. O. Large Minority P. FIRREA WOLB (OCC and OTS Only) U. Historically Black College/University or Minority Institution (HBCU/MI)													
<input type="text"/>										<input type="checkbox"/>													
37. Contractor's TIN										<input type="text"/>													
<input type="text"/>										<input type="text"/>													
50a. Contractor Key Personnel (Last, First)																							
<input type="text"/> , <input type="text"/>																							
15. Street Address or Box Number																							
b. <input type="text"/>																							
City										State /Country				Zip Code									
c. <input type="text"/>										d. <input type="text"/>				e. <input type="text"/>									
38. Common Parent's Name																							
<input type="text"/>																							
39. Common Parent's TIN																							
<input type="text"/>										<input type="text"/>													
17 Principal Place of Performance				b. City, Place, or County				c. Foreign Country				18. Contract for Foreign Government or International Organization				19. Tariff or Regulated							
a. State/Country				<input type="text"/>				<input type="text"/>				<input type="checkbox"/> Y - Yes <input type="checkbox"/> N - No				<input type="checkbox"/> Y - Yes <input type="checkbox"/> N - No							
<input type="text"/>				<input type="text"/>				<input type="text"/>															

Date \_\_\_\_\_